## **PRODUCT QUALITY ADJUSTMENT - OREGON WESTSIDE**

Use with Appraisal Update #6-16

Sale Name: First Thin

Date: 27-Jul-16 (mm/dd/yy)

| Species  | Minimum       | Representative | Log price    | Volume | Volume | Log price  | Adjustment |
|----------|---------------|----------------|--------------|--------|--------|------------|------------|
| Group #1 | Dia - dib     | Grade*         | \$/mbf avg** | MBF    | CCF    | \$/ccf avg | Dollars    |
| 205      | 5.0" - 7.99"  | #4 sawmill     | 607.00       | 642    | 1,418  | 274.82     | -80,02     |
|          | 8.0"-11.99"   | #3 sawmill     | 676,00       | 2,929  | 5,580  | 354.84     | 0.00       |
|          | 12.0"-17.99"  | #2 sawmill     | 682.00       | 4,929  | 7,942  | 423.27     | 68.43      |
|          | 18,0" - 30,0" | special mill   | 696.00       | 2,315  | 3,267  | 493_19     | 138,35     |
|          |               |                |              |        |        |            |            |

Chip Values, \$/ccf

| \$/ton<br>Avg | Avg lb<br>per cf | Volume<br>CCF |
|---------------|------------------|---------------|
| 29.00         |                  |               |
|               |                  |               |
| PDD           | for ohing -      | 0.00          |

Weighted average Product Quality Adjustment (PQA) for Species Group #1 =

Weighted average delivered log price for Species Group #1 =

(insert as override on TEA input screen

15.00 /ccf under BPP/CCF for products 08 and 20)

403.28 /ccf (enter on TEA input screen as Log Pr/CCF)

| Species     | Minimum       | Representative | Log price    | Volume | Volume | Log price  | Adjustment |
|-------------|---------------|----------------|--------------|--------|--------|------------|------------|
| Group #2    | Dia - dib     | Grade*         | \$/mbf avg** | MBF    | CCF    | \$/ccf avg | Dollars    |
| 263,264,108 | 5.0" - 7.99"  | #4 sawmill     | 440,00       | 132    | 301    | 192,96     | -52.73     |
| true firs   | 8,0"-11,99"   | #3 sawmill     | 471,00       | 205    | 393    | 245.69     | 0.00       |
| spruces     | 12.0"-17.99"  | #2 sawmill     | 490.00       |        |        |            |            |
|             | 18.0" - 24.0" | special mill   | 490,00       |        |        | W V V      |            |

Weighted average Product Quality Adjustment (PQA) for Species Group #2 =

-15.00 /cc

Weighted average delivered log price for Species Group #2 = 222.82 /ccf (enter on TEA input screen as Log Pr/CCF)

| Species<br>Group #3 | Minimum<br>Dia - dib | Representative<br>Grade* | Log price<br>\$/mbf avg** | Volume<br>MBF | Volume<br>CCF | Log price<br>\$/ccf avg | Adjustment<br>Dollars |
|---------------------|----------------------|--------------------------|---------------------------|---------------|---------------|-------------------------|-----------------------|
| 242                 | < 12.0"              | #4 sawmill               | camprun                   | 550           | 1,151         | 0.00                    | -553.73               |
|                     | 12.0"-23.99"         | #3 sawmill               | 925.00                    | 261           | 436           | 553.73                  | 0.00                  |
|                     | 24,0"+               | #2 sawmill               | 0.00                      |               |               |                         |                       |
|                     |                      |                          |                           |               |               |                         |                       |

Weighted average Product Quality Adjustment (PQA) for Species Group #3 =

-15.00 /ccf

Weighted average delivered log price for Species Group #3 = 152.13 /ccf (enter on TEA input screen as Log Pr/CCF)

| Species<br>Group #4 | Minimum<br>Dia - dib | If this table        | Log price<br>\$/mbf avg | Volume<br>MBF | Volume<br>CCF | Log price<br>\$/ccf avg | Adjustment<br>Dollars |
|---------------------|----------------------|----------------------|-------------------------|---------------|---------------|-------------------------|-----------------------|
|                     |                      | is used,             |                         |               |               | 0.00                    |                       |
|                     |                      | entry needed<br>here |                         |               |               |                         |                       |
|                     |                      | Here                 |                         |               |               |                         |                       |

Weighted average Product Quality Adjustment (PQA) for Species Group #4 =

0.00 /ccf

Weighted average delivered log price for Species Group #4 =

0.00 /ccf (enter on TEA input screen as Log Pr/CCF)

| Species  | Minimum   | If the table  | Log price  | Volume | Volume | Log price  | Adjustment |
|----------|-----------|---------------|------------|--------|--------|------------|------------|
| Group #5 | Dia - dib | If this table | \$/mbf avg | MBF    | CCF    | \$/ccf avg | Dollars    |
|          |           | is used,      |            |        |        |            |            |
|          |           | <b>→</b>      |            |        |        | 0.00       |            |
|          |           | entry needed  |            |        |        |            |            |
|          |           | here          |            |        |        |            |            |
|          |           |               |            | W.     |        |            |            |

Weighted average Product Quality Adjustment (PQA) for Species Group #5 =

0.00 /ccf

Weighted average delivered log price for Species Group #5 =

0.00 /ccf (enter on TEA input screen as Log Pr/CCF)

| Species<br>Group #6 | Minimum<br>Dia - dib | If this table        | Log price<br>\$/mbf avg | Volume<br>MBF | Volume<br>CCF | Log price<br>\$/ccf avg | Adjustment<br>Dollars |
|---------------------|----------------------|----------------------|-------------------------|---------------|---------------|-------------------------|-----------------------|
|                     |                      | is used,             |                         |               |               | 0.00                    |                       |
|                     |                      | entry needed<br>here |                         |               |               | 7.3                     |                       |
|                     |                      | A Sunday Succession  |                         |               |               |                         |                       |

Weighted average Product Quality Adjustment (PQA) for Species Group #6 =

0.00 /ccf

Weighted average delivered log price for Species Group #6 =

0.00 /ccf (enter on TEA input screen as Log Pr/CCF)

Industry grade used to associate minimum dib and delivered log price. Volume comprises mostly the representative grade, but also may include material of other grades.

## PRODUCT QUALITY ADJUSTMENT

## Combining Species into Appraisal Groups

## Determining Weighted Average Delivered Log Price for the Sale Use with Appraisal Update #6-16

Sale Name: First Thin Date: 27-Jul-16

Combining Species into Appraisal Groups (for entry into the TEA input screen)

|                    | Type a "1"          | into desired        | s to combine species into an appraisal group |                     |                     |                     |                           |                           |
|--------------------|---------------------|---------------------|--|---------------------|---------------------|---------------------|---------------------------|---------------------------|
| Geographic<br>Area | Species<br>Group #1 | Species<br>Group #2 | Species<br>Group #3                          | Species<br>Group #4 | Species<br>Group #5 | Species<br>Group #6 | Combined<br>Prod Qual Adj | Combined<br>Del Log Price |
| Ore West           | 1                   | 1                   | 1  |                     |                     |                     | 11.66                     | 377.71                    |
| Ore East           |                     |                     |  |                     |                     |                     |                           |                           |
| Wash West          |                     |                     |  |                     |                     |                     |                           |                           |
| Wash East          |                     |                     |  |                     |                     |                     |                           |                           |

Determining Weighted Average Delivered Log Price for the Sale (for use in analyzing advertised rates)

| 1000               |                     | Туре                |                     |                     |                     |                     |  |
|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--|
| Geographic<br>Area | Species<br>Group #1 | Species<br>Group #2 | Species<br>Group #3 | Species<br>Group #4 | Species<br>Group #5 | Species<br>Group #6 | Wt Avg Delivered Log<br>Price for the Sale |
| Ore West           | 1                   | 1                   | 1                   |                     |                     |                     | 377.71                                     |
| Ore East           |                     |                     |                     |                     |                     |                     |  |
| Wash West          |                     |                     |                     |                     |                     |                     |  |
| Wash East          |                     |                     |                     |                     |                     |                     |  |

Enter the Combined Product Quality Adjustment on the TEA input screen under PQA/CCF for the main species in the appraisal group. Enter the Del Log Price under Log Pr/CCF on the TEA input screen for the main species in the appraisal group. Use the weighted average delivered log price for the sales to analyze advertised rates, per R6 FSH 2409.22 Appraisal Handbook. Refer to the PQA User Guide for more information on the calculation and use of delivered log prices.

- \*\* Click the "Erase" button above to delete all species combination data \*\*
- \*\* Press the "Delete" key in appropriate cell to erase individual cell input \*\*

Appraisal Reminder - When combining species, a weighted average Base Period Price needs to be calculated. Use the table below to calculate a weighted average BPP for the appraisal group.

The Erase Data button erases Forest number, Salvage, and Species Code and Species Volume (CCF) in the table.

**Appraisal Update** 

#6-16

teacost.dat file (TEA 06-16)

The Appraisal Update # and teacost.dat file date MUST BE THE SAME

in calculating a weighted average BPP!

Species BPP Weighting Table

| Species      | Species   | BPP from    |
|--------------|-----------|-------------|
| Code         | Vol (CCF) | TEACOST.DAT |
| 205          | 18,207.00 | 87.08       |
| 263          | 694.00    | 38.53       |
| 242          | 1,587.00  | 91.39       |
|              |           |             |
| Total or Avg | 20,488.00 | 85.77       |

MBF Volume Table

| IIIDI TOIL | illo rabio |
|------------|------------|
| Species    | Species    |
| Code       | Vol (MBF)  |
| 205        | 10,815.00  |
| 263        | 337.00     |
| 242        | 811.00     |
|            |            |
| Total      | 11,963.00  |

Enter MBF volume from Species Group Tables for entry of Total into TEA Main Screen.